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DE RUEHGO #0327/01 1271056
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FM AMEMBASSY RANGOON
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7497
INFO RHEHNSC/NSC WASHDC IMMEDIATE
RUCNASE/ASEAN MEMBER COLLECTIVE
RUEHGG/UN SECURITY COUNCIL COLLECTIVE
RUEHBY/AMEMBASSY CANBERRA 1127
RUEHNE/AMEMBASSY NEW DELHI 4674
RUEHUL/AMEMBASSY SEOUL 8215
RUEHKO/AMEMBASSY TOKYO 5777
RUEHCHI/AMCONSUL CHIANG MAI 1553
RHHMUNA/CDR USPACOM HONOLULU HI
RUCNDT/USMISSION USUN NEW YORK 1532
RUEKJCS/SECDEF WASHDC
RUEKJCS/JOINT STAFF WASHDC

C O N F I D E N T I A L SECTION 01 OF 02 RANGOON 000327

SIPDIS

DEPT FOR EAP/MLS, DRL, AND IO
PACOM FOR FPA

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TAGS: [PGOV](#) [PREL](#) [PHUM](#) [BM](#) [EAID](#)
SUBJECT: BURMA: POLITICAL IMPLICATIONS OF CYCLONE NARGIS

REF: RANGOON 323

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Classified By: P/E Chief Leslie Hayden for Reasons 1.4 (b) & (d)

¶1. (C) Summary: In the aftermath of Cyclone Nargis, the regime announced it would proceed with its constitutional referendum, except for the five regions it had declared disaster areas, including Rangoon. Aung San Suu Kyi weathered the storm, but the "vote no" campaigns of both the NLD and 88 Generation Students have been disrupted. Rumors of massive killings during an attempted prison break at Insein Prison appear exaggerated. The regime has brought the same troops into the city to help clear debris that it brought in to clear demonstrators in September. Skyrocketing inflation, water and food shortages, and rapidly deteriorating health and sanitary conditions all have the potential to spur massive political unrest. End summary.

¶2. (SBU) Despite the unprecedented disaster faced by Burma from cyclone Nargis, the government announced it would proceed with its planned May 10 constitutional referendum, except in the five declared disaster areas. These five areas cover a population of 15-16 million people, including Rangoon, Burma's largest city, or approximately 28 percent of the total population.

"Vote No" Campaign Disrupted

¶3. (C) Both the NLD and 88 Generation reported that their "vote no" campaigns have been disrupted due to damage and lack of communication in the wake of cyclone Nargis. NLD spokesman U Nyan Win relayed to us that the NLD "vote no" campaign is no longer operational in any of the areas affected by the cyclone as the campaigners were also affected by the cyclone and were busy cleaning up and finding food and water. He noted that the campaign was proceeding in those areas not affected by the storm. 88 Generation reported to us that they have lost contact with many of their activists. They were likely to be unable to regroup before May 10.

The Lady is OK

¶4. (SBU) NLD spokesman U Nyan Win also confirmed that Aung San Suu Kyi weathered the storm and is fine. The government deployed convicts sentenced to hard labor to clear away trees and debris from the area surrounding her home. The NLD plans to form a "rescue committee" to raise funds and disburse goods, informed U Nyan Win. The NLD Central Executive Committee was meeting to work out the details.

Prison Break

¶5. (SBU) Reports are circulating around Rangoon and in the exile community that several political prisoners were shot, killed, or escaped when a prison wall at Insein prison was crushed by a falling tree. Embassy Rangoon has been unable to confirm these rumors, although sources told us a wall in cell block one was breached by a tree and three prisoners were shot trying to escape. A stray bullet reportedly hit a fuel tank that exploded and caused a large fire. Min Ko Naing and other high-profile prisoners are reportedly being held in cell block two, and were not injured in the commotion.

A Hungry Man is an Angry Man

¶6. (C) The government has done little to alleviate the massive suffering of the millions affected by the cyclone. It has established an emergency committee headed by PM Thein Sein, and sent the same army divisions into Rangoon to clean up debris that it sent in September to clear the streets of monks and peaceful demonstrators. They are poorly equipped and can be seen around town trying to dismantle fallen trees with little more than knives and brooms. Residents complain that the GOB gave them so little warning and made so few

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preparations for the cyclone.

¶7. (C) The areas of the Delta most damaged by Nargis were Burma's major rice producing regions. The regime, which has for so long successfully controlled rice prices, is now facing the possibility of major shortages and soaring inflation, not only for rice, but for other basic commodities and foodstuffs as well. According to our sources, military-owned and controlled Myanmar Economic Cooperation (MEC) and Union of Myanmar Economic Holdings Limited (UMEHL) have 50,000 tons of rice in hand, but are holding on to it and forcing private rice traders to donate rice instead. Regime crony Tay Za's Htoo Trading company has distributed 500 bags (69 lb. each) and 300 viss (600 liters) of oil to authorities in one of Rangoon's poorest and most affected townships. The government has also asked the Rice/Paddy Traders Association to sell rice to the people at a low, reasonable price. So far, this has had no effect on rapidly rising rice prices. A reliable and knowledgeable contact estimates that if the government does not take quick action soon, there will be rice shortages in Rangoon next week.

Comment

¶8. (C) Already lacking international credibility, it is difficult to see how the regime could claim any legitimacy for its new constitution if it proceeds with the referendum without almost a third of Burma's population. This unprecedented humanitarian disaster has knocked both the regime and the pro-democracy opposition off of their game. Both are grappling to respond. While the regime continues to make claims of recovery that people know are untrue, and to dismiss the need for international expertise to provide humanitarian relief, the generals may have to reverse course in order to assure their own survival. A situation of rapidly deteriorating food, water, and sanitary conditions, coupled with skyrocketing inflation, has the potential to bring the regime down in a manner that is in no one's interest. End comment.

